VZCZCXRO6806 PP RUEHIK DE RUEHAH #1498 3280904 ZNR UUUUU ZZH P 240904Z NOV 09 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC PRIORITY 3789 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNCIS/CIS COLLECTIVE RUCNMEM/EU MEMBER STATES COLLECTIVE RUEHAK/AMEMBASSY ANKARA 5916 RUEHBJ/AMEMBASSY BEIJING 3619 RUEHKO/AMEMBASSY TOKYO 3478 RUEHIT/AMCONSUL ISTANBUL 4158 RUCNDT/USMISSION USUN NEW YORK 1264 RHMCSUU/CDR USCENTCOM MACDILL AFB FL RUEHVEN/USMISSION USOSCE 4111 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RUEATRS/DEPT OF TREASURY WASHDC RHEBAAA/DEPT OF ENERGY WASHDC

UNCLAS ASHGABAT 001498

SENSITIVE SIPDIS

STATE FOR SCA/CEN; EEB ENERGY FOR EKIMOFF/BURPOE/COHEN COMMERCE FOR EHOUSE

E.O. 12958: N/A

TAGS: EIND ECON PGOV EINV TX

SUBJECT: GE TURBINES BOOST ELECTRICITY CAPACITY IN TURKMENISTAN

- 11. (U) Sensitive But Unclassified. Not For Public Internet.
- 12. (U) Chalyk Energy, a Turkish company, and General Electric (GE) are nearing completion of a project to build a new power station in Balkanabat, the capital city of Balkan Province in western Turkmenistan. According to an article in the November 17 issue of state-run newspaper Neutral Turkmenistan, the province is currently undergoing an industrial and construction boom. Six years ago, three GE-produced turbines were installed at Balkanabat's old power station, bringing the station's capacity to 126 megawatts (MW). Balkanenergo replaced some parts of the power distribution system at the station to improve efficiency, and the station operations were computerized.
- 13. (U) GE was praised in the Neutral Turkmenistan article for producing the highest quality electricity generating turbines in the country. GE sold two gas turbines with a capacity of 127.1 MW each to Balkanenergo for the new power station. The power station is expected to open in March 2010. The article mentioned that Turkmen President Berdimuhamedov issued a decree ordering the construction of new power stations in Balkan province, probably to support new factories under construction around Balkanabat. A new cement factory is expected to consume the largest amount of the power. However, the article also mentioned that the increased capacity would enable these power stations to supply energy to Iran.
- 14. (U) Turkmenistan has already constructed two other power plants in Ashgabat and the Dashoguz province in partnership with Chalyk Energy and GE. The Dashoguz facility was commissioned in 2007, and the Ashgabat facility, which provides power to the Archabil region near the Embassy's residential compound, opened in 2005. Moreover, Turkmenistan produces a surplus of power that it exports to Afghanistan, Iran, Turkey, and Tajikistan.
- 15. (SBU) COMMENT. The recent article in the Turkmen state newspaper mentioned General Electric several times and boasted the GOTX's partnership with a "world giant in electric generation machinery." Clearly, the GE name is respected in Turkmenistan, which might lead to future deals for the company. According to GE, its units already

make up Turkmenistan's entire gas turbine fleet, which will have a generation capacity of 1,800 MW once pending installations are completed. END COMMENT.

CURRAN